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**From:**

**Sent:** Tuesday, October 11, 2011 11:18:20 AM

**To:**

**Cc:**

**Subject:** 6166 question

Hi--sorry I missed your call last week and I know you are out this week. You had suggested that, while you are out, I respond to \_\_\_\_\_, so I have copied her.

If I understood your VMS correctly, you had a question about whether a distribution of 51% of the section 6166 property to other family members via gift was an accelerating event for purposes of section 6166(g). Section 6166(g) provides that the election ceases to apply when 50% or more of the interest is "distributed, sold, exchanged, or otherwise disposed of". This is very broad language used to cover any situation in which the subject property ceases to form part of the gross estate. This would include property disposed of via gift. There is an exception for transfers of property to family members, but only when the transfers are by reason of death of transferor.

Let me know if you have further questions or if I misunderstood your facts. I am still working on your other question about the multiple appeal opportunities following missed installment payments.